

## ORDINANCE NO.

AN ORDINANCE OF THE CITY OF SANDPOINT, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO TO DISESTABLISH THE DOWNTOWN SANDPOINT BUSINESS IMPROVEMENT DISTRICT, PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF CONFLICTING SECTIONS; AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

WHEREAS, Idaho Code Title 50 Chapter 26 provides for the establishment and disestablishment of a business improvement district;

WHEREAS, on September 6, 2000, by Ordinance 1039, City Council established the Downtown Sandpoint Business Improvement District, codified as Sandpoint City Code 7-14 et sec.;

WHEREAS, on August 2, 2017 the City passed a Resolution of Intention to Disestablish the Downtown Sandpoint Business Improvement District; and

WHEREAS, a hearing was held on September 6, 2017 resulting in City Council voting to disestablish the Downtown Sandpoint Business Improvement District;

NOW THEREFORE, be it ordained by the Mayor and City Council of the City of Sandpoint, Idaho:

### **Section 1:** Disestablishment

The Downtown Sandpoint Business Improvement District is hereby disestablished.

### **Section 2:** Assets and Liabilities

Any proceeds, assets, or liabilities of the Downtown Business Improvement District, shall be subject to disposition as City Council shall determine;

### **Section 3:** Amend Sandpoint City Code Section 2-3-5-B-4, Duties and Responsibilities as follows:

4. Develop and recommend a means by which ~~BID (business improvement district)~~ merchants and property owners, as well as property owners elsewhere in the city, are encouraged to preserve and restore significant properties in the central business district and to maintain architectural compatibility and character between new structures or remodeling projects and existing structures.

### **Section 4:** Amend Sandpoint City Code Section 6-6-3-8, Exceptions to Permit Requirement, as follows:

8. Activities held outside of the downtown business core ~~business improvement district as defined by section 7-14-10 of this code~~ and not substantially interfering with the normal flow or

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regulation of pedestrian or vehicular traffic or occupying any street or other public property managed by the city of Sandpoint.

**Section 5:** Amend Sandpoint City Code Section 7-10-3-B as follows:

~~The Sandpoint business improvement district ("BID") is permitted two (2) events per calendar year at Farmin Park free of use fee charges; all deposit, insurance and other requirements and park policies still apply.~~

**Section 6:** Severability

Should any provision of this Ordinance be deemed unlawful or unconstitutional, such finding shall not affect the remaining provisions of this Ordinance.

**Section 7:** Repeal of Conflicting Provisions

Ordinance 1039 is hereby repealed. Sandpoint City Code 7-14 is repealed in its entirety. Section 7-14 is reserved for future use. Any provisions of the current Sandpoint City Code which conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

**Section 8:** Effective Date

This Ordinance shall be in full force and effect from and after its adoption and publication according to law.

PASSED BY THE CITY COUNCIL, as an ordinance of the City of Sandpoint on the \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Shelby Rognstad, Mayor

ATTEST:

\_\_\_\_\_  
Maree Peck, City Clerk

SUMMARY OF ORDINANCE NO.

Disestablish Downtown Sandpoint Business Improvement District

AN ORDINANCE OF THE CITY OF SANDPOINT, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO TO DISESTABLISH THE DOWNTOWN SANDPOINT BUSINESS IMPROVEMENT DISTRICT, PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF CONFLICTING SECTIONS; AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

SECTION 1 provides Disestablishment; SECTION 2 provides for Assets and Liabilities; SECTION 3 amends City Code 2-3-5-B-4; SECTION 4 amends City Code 6-6-3-8; SECTION 5 amends City Code 7-10-3-B; SECTION 6 provides severability; SECTION 7 provides for repeal of conflicting provisions; and SECTION 8 provides for publication an effective date.

The full Ordinance is on file with the Sandpoint City Clerk and will be promptly provided during regular business hours to any citizen on personal request.

Dated the       day of October, 2017.

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Maree Peck, City Clerk

Publication Date: \_\_\_\_\_

**STATEMENT OF LEGAL ADVISER**

I, Scot R. Campbell, legal adviser for the City of Sandpoint, Idaho, have examined the foregoing summary of Sandpoint Ordinance No. \_\_\_\_\_ and find it to be a true and complete summary of said ordinance that provides adequate notice to the public of the contents thereof.

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Scot R. Campbell, City Attorney

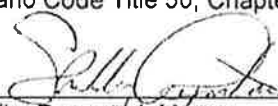
No: 17-47  
Date: August 2, 2017

RESOLUTION  
OF THE CITY COUNCIL  
CITY OF SANDPOINT

**TITLE: RESOLUTION OF INTENTION TO DISESTABLISH THE BUSINESS IMPROVEMENT DISTRICT**

- WHEREAS: Idaho Code Title 50, Chapter 50 provides that municipalities can establish and support Business Improvement Districts upon the petition of local businesses and outlines procedural requirements for starting, administering and disestablishing a business improvement district;
- WHEREAS: City of Sandpoint businesses submitted a petition which established the Sandpoint Business Improvement District by the adoption of Ordinance No. 1038;
- WHEREAS: The City initially contracted administration of the Business Improvement District (BID) to the Downtown Sandpoint Business Administration (DSBA) and when the DSBA was disbanded, the City of Sandpoint contracted with the Greater Sandpoint Chamber of Commerce to administer the BID;
- WHEREAS: In January 2017, the City of Sandpoint decided to discontinue with the contract with the Greater Sandpoint Chamber of Commerce but continued with the seasonal flower basket program while the City proceeded with reevaluation of the BID;
- WHEREAS: A survey was conducted through the Boise State University with results indicating a high rate of dissatisfaction by the responding BID members;
- WHEREAS: The City retained Mindset Matters to engage BID members to facilitate workshops and listening sessions as well as communications by the City with businesses via e-mails, letters, newsletters and the City website; and
- WHEREAS: Mindset Matters presented a draft Engagement Project Report at the July 19, 2017 City Council meeting via workshop format with City Council and interested business owners and citizens;
- WHEREAS: The recommendation to the City from Mindset Matters is to disestablish the current BID or reset the BID assessments to zero.

NOW, THEREFORE, BE IT RESOLVED THAT: That **City Council intends to disestablish the BID and will hold a public hearing during their regularly scheduled City Council meeting on September 6, 2017 at 5:30 p.m.** to hear protests and receive evidence for or against the proposed action, following procedures pursuant to Idaho Code Title 50, Chapter 26.

  
Shelby Rognstad, Mayor

ATTEST:

  
Maree Peck, City Clerk

City Council Members:

	YES	NO	ABSTAIN	ABSENT
1. Eddy				X
2. Aitken	X			
3. Williamson	X			
4. Camp	X			
5. Ruehle		X		
6. Snedden	X			

Second Motion

**MINUTES**  
**REGULAR MEETING OF THE SANDPOINT CITY COUNCIL**  
**September 6, 2017**

**OLD BUSINESS**

**D. PUBLIC HEARING – DISESTABLISH BUSINESS IMPROVEMENT DISTRICT (BID)**

**Mayor Rognstad** announced this is a public hearing to hear protests and receive evidence for or against the proposal to disestablish the Business Improvement District. City Council adopted Resolution No. 17-47, Resolution of Intention to Disestablish the Business Improvement District at their August 2<sup>nd</sup> City Council meeting. The resolution was published in the Bonner County Daily Bee on August 15, 2017, and a copy of the resolution was mailed to BID members on August 9<sup>th</sup> and August 10<sup>th</sup>.

**Mayor Rognstad advised that the hearing would be conducted in compliance with the following rules of procedure:** Before persons testify at public hearings, they are to fill out the signup sheet available at the front of Council chambers and hand deliver to staff. If you desire, you may note your objection, approval or comment on the form provided. If you wish to comment during the public hearing, please come to the microphone and state your name and whether you reside within the City limits. Please limit your comments to no more than three minutes. Testimony shall directly address the subject at hand and shall not be personally derogatory at any individual, organization or business. Members of the Council may ask questions of persons who testify. If they do so, it will be only for the purpose of clarifying information. Once the public hearing portion of this meeting is closed, there will be no further opportunity for public input on the proposal. The Council will then discuss among themselves the testimony they have heard and what, if anything, they may propose as a result of this hearing. Those testifying should clearly indicate their name. You are not required to state your residence address but whether you reside within the City limits.

**Mayor Rognstad opened the public hearing to accept testimony.**

**Molly O'Reilly**, Sandpoint resident, raised concern that our downtown will be competing with other places to shop without the BID. If City Council followed the recommendation to reduce the BID to zero, then downtown businesses could have looked at a different option instead. She encouraged City Council to consider this option.

**Steve Lockwood**, Sandpoint resident, stated he attended several Downtown Sandpoint Business Association (DSBA) Board meetings in the past. He felt the BID served a useful purpose but was not as effective as it could have been. Other cities have done a better job with their BID. He supports the recommendation from the consultant as several businesses opposed the tax, there were issues with the BID boundaries and there were issues on the formula. He said downtown businesses should work together more effectively for a successful BID.

**Mayor Rognstad closed the public hearing.**

**Councilman Snedden moved** to disestablish the Business Improvement District.  
**Councilman Camp seconded the motion.**

**MINUTES**  
**REGULAR MEETING OF THE SANDPOINT CITY COUNCIL**  
**September 6, 2017**

**Councilman Eddy** agreed that downtown businesses should work under new guidelines. **Councilwoman Ruehle** said she discussed this issue directly with staff to rewrite the rules to establish a new BID. City Administrator Jennifer Stapleton replied to **Councilman Camp** that there will be recommendations coming back to City Council for establishment of a new BID and what to do with the balance of BID funds, which total approximately \$50,000. This could be addressed at a separate City Council meeting with direction to City staff to come back to City Council with a plan. Another option is to come back with a staff presentation during a workshop to be scheduled in late October or early November. **Councilman Snedden** said he wants to focus on preserving the flower baskets and other downtown décor. He agreed this can be discussed during a City Council workshop. **Councilman Camp** referred to Mr. Woodworth's recommendations in his report to terminate the current BID and put the onus on business owners to establish a BID. **Mayor Rognstad** noted there was exhaustive public outreach including a survey conducted by Boise State University and a series of robust workshops conducted by Mindset Matters which is why City Council has reached a decision to disestablish the BID.

A roll call vote resulted as follows:

Councilman Snedden	Yes
Councilwoman Williamson	Yes
Councilman Eddy	Yes
Councilwoman Ruehle	Yes
Councilman Aitken	Yes
Councilman Camp	Yes

**The motion passed by a unanimous vote of Council.**

City staff will bring an ordinance to the next regularly scheduled City Council meeting based on City Council decision.